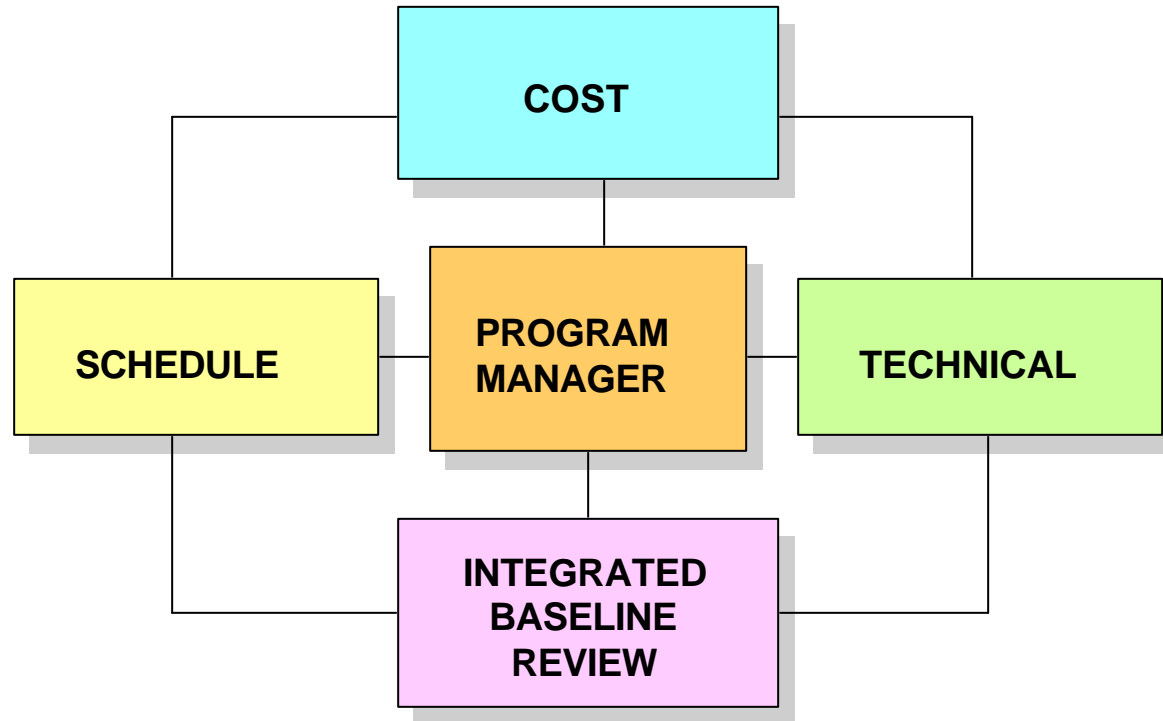


# **INTEGRATED BASELINE REVIEW BEST PRACTICES**

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**B-1B DEFENSIVE SYSTEM UPGRADE PROGRAM  
BOEING NORTH AMERICAN, Inc., SEAL BEACH, CA**

**VIRGINIA F. HARRAH  
COST PERFORMANCE ANALYST  
ASC/FMCM, WPAFB, OH 656-5462**

# OVERVIEW

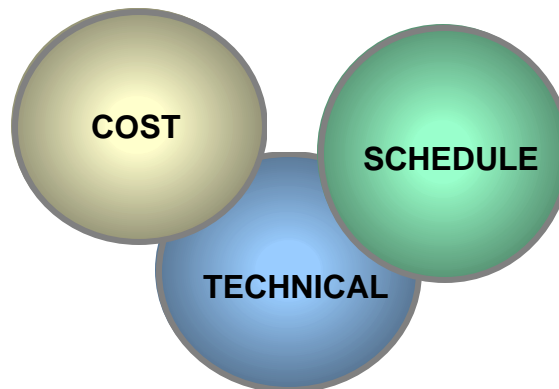
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- **EVMS CONCEPT**
- **IBR OBJECTIVES**
- **PROCESS EVOLUTION**
- **PRE-IBR ACTIVITIES**
- **IBR PROCESS**
  - **TRAINING**
  - **TEAM MEMBERS**
  - **NOTEBOOK REVIEW**
  - **TELECONS**
  - **FACILITY VISIT**
- **SUCCESS STORY**

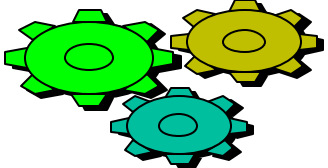
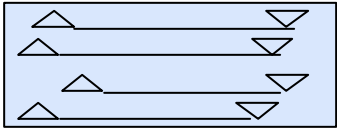

# CONCEPT OF EARNED VALUE MANAGEMENT

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Earned Value Management is a Tool that Allows both Government and Contractor Program Managers to have Visibility into Technical, Cost, and Schedule Progress on their Contracts. The Implementation of an Earned Value Management System is a Recognized Function of Program Management. It Ensures that Cost, Schedule and Technical Aspects of the Contract are Truly Integrated.



# IBR OBJECTIVES

- Ensure technical content of work packages and cost accounts (CAs) is consistent with the SOW 
- Ensure that there is a logical sequence of efforts that  support the contract schedule
- Assess the validity of allocated cost account budgets 
- Understand the earned value methods for measuring accomplishment



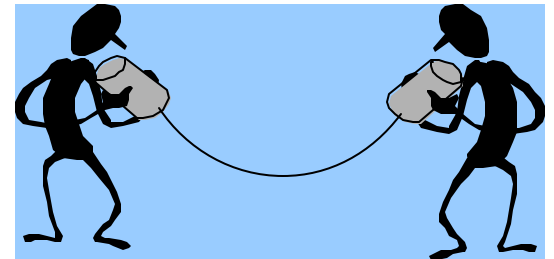
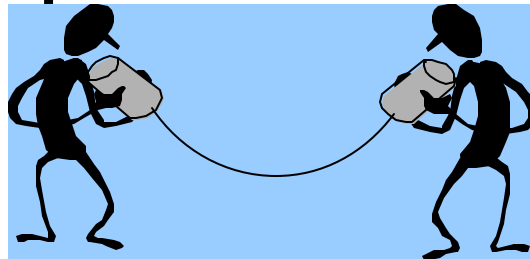
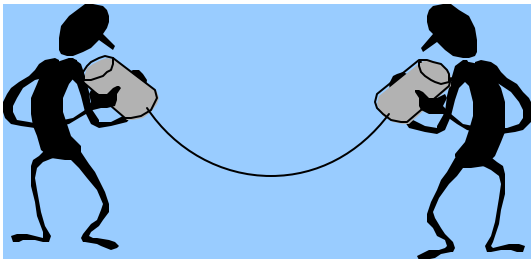
Establish a “*Sense of Ownership*” within the government program office of the Cost/Schedule management process



# PROCESS EVOLUTION

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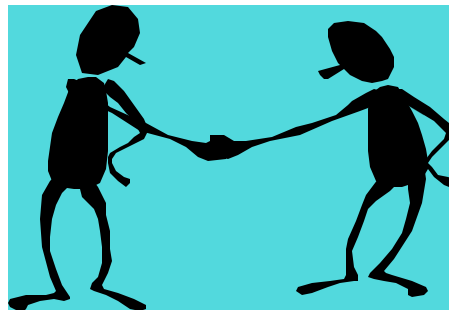
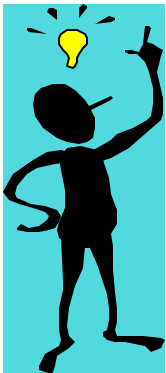
- **Block E IBR conducted at contractor facility three months prior to Block F IBR**
  - System Description and EVMS application reviewed
  - CAMs interviewed and processes reviewed
  - Block E IBR action items still in work prior to closeout
  - Some of same personnel involved in Block F
- **TDY schedules hard to coordinate with technical and management personnel**
- **Less intrusive process desired**



# PROCESS EVOLUTION (con't)

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- **Brainstorming session resulted in SPO in-house review concept**
- **Obtained SPO management and ASC/FMCM approval**
- **Obtained enthusiastic buy-in from contractor**



# PRE-IBR ACTIVITIES

- **Team Leader Meeting**
  - Planned the review
  - Documentation required
  - Tentative agenda
  - Tentative interview schedule
  - Team assignments
  - Established schedule for team training
- **Issued Contractor Notification Letter**
  - Dates of review
  - Documentation requirements
    - Prior to review
    - On arrival at plant
  - Requested Responsibility Assignment Matrix (Ram)



# IBR PROCESS

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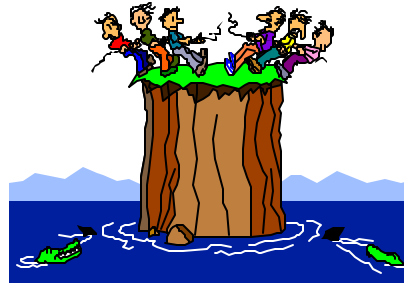
- **Received contractor RAM**
  - **Selected cost accounts for review**
  - **Notified contractor**
- **Training session**
  - **Basic EVMS and IBR process training by ASC/FMCM**
  - **Contractor's EVMS overview**
    - **Organizational structure**
    - **Work Authorization documents**
    - **Program schedules**
    - **Control Account Plan**
    - **Performance Measurement System**
    - **Change processes**
    - **Management Reserve**
    - **Internal Cost Performance Report**
  - **CAM notebooks delivered**





# BNA IBR TEAM MEMBERS

- Bill Lloyd
- Virginia Harrah
- Charlotte Mathena
- Gil Jernigan
- John Rush
- Gene Satterfield



Team Chief, ASC/YDQ, DSUP Program Mgr  
Deputy Team Chief, ASC/FMCM  
DSUP Financial Mgr., ASC/YDQ  
Boeing B-1B CMUP PP&C Mgr.  
Boeing B-1B Cost Management Lead  
Boeing B-1B Block F Schedule Lead

## Government Team

Pryor  
Eviston  
Anderson  
Smith  
Trilli  
Doelling  
Monzon  
Gillespie  
Padilla  
Bridges  
Wysong  
Carter



## Contractor CAMS

Waller  
Andrew  
Eden-Logan  
Stelmak  
Smith  
Pruett  
D'Onofrio  
Jernigan  
Gulick  
Vanden Brink  
Nelson  
Haller  
Vanderslice  
Bitten



# GOV'T REVIEW OF CAM NOTEBOOKS

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- **Attended notebook training session**
- **Set aside sufficient time for thorough review**
- **Stayed within review time frame**
- **Government preparation:**
  - Familiarization with the system
  - Planned approach to take
  - Used questionnaire as guideline for review of data
- **Developed questions for CAM telecon**

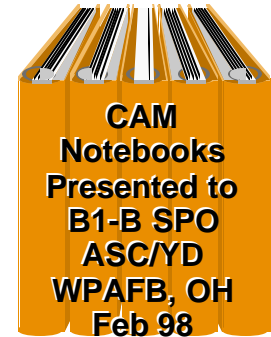


# GOV'T REVIEW OF CAM NOTEBOOKS (con't)

- **Notebook review details:**

- **SPO technical staff reviewed CAM notebooks**

- Compared with proposal evaluation data
    - Assessed task descriptions and labor hours
    - Assessed performance measurement methodology
    - Tracked from work package schedules to contact schedule
    - Developed questions for CAM interview telecons



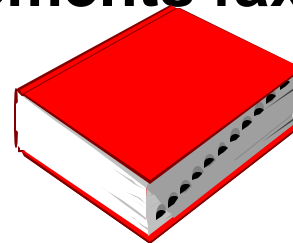
- **SPO Financial Manager, Contractor, and FMCM representative provided assistance as required**



# CAM TELECON

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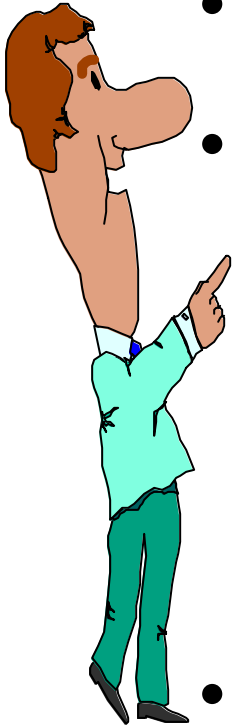
- **Telecons scheduled when convenient for both sides**
- **CAMs were prepared**
  - Had documentation available
  - Understood contents of notebooks
  - Showed support for answers
  - Good Communication
- **Additional document requirements faxed**
- **Agreed on areas of concern**
- **Documented discussions**



# DISCUSSION FLOW FOR TELECON

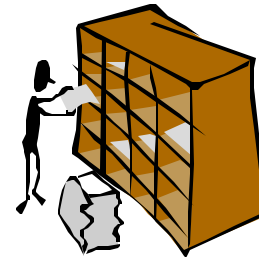
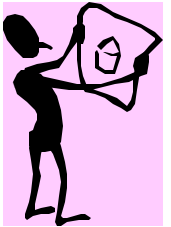
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- Introduced team members present for telecon
- Told the Cost Account Manager what they were trying to accomplish
  - Content of Work Authorization vs. scope of work
  - Scheduling
  - Resource allocation and time phasing
  - Earned Value method
  - Baseline management
- Started discussion by asking CAM to describe what they do and how they manage their scope of work
- Discussed questions developed during notebook review



# DISCUSSION FLOW FOR TELECON (con't)

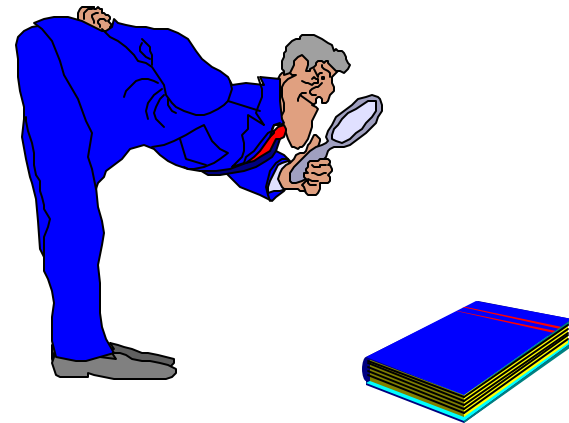
- **Discussions were “Show Me” type**
  - Questions focused on particular part of notebook that needed clarification
  - CAM identified documentation he/she was talking about when answering questions
- **Determined confidence in the following:**
  - Scope of work was completely allocated
  - Work Authorization process was formally coordinated between program office and cost account managers
  - Scheduling was logical and consistent (master, intermediate, detailed)
  - Resource allocation, time phasing, and Earned Value methodology appropriate and adequate for assessing progress



# CONTRACTOR FACILITY VISIT

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- **Program Manager, SPO Financial Manager, and FMCM representative visited contractor's facility to review in-house documentation**
  - Contractor Book of Accounts
  - Management Reserve Log
  - Undistributed Budget Log
  - Change Process
  - ECP Process
  - CPR/CFSR reconciliation
- **Program Manager presented outbriefing to Contractor**



# BNA IBR SUCCESS STORY

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- SPO technical staff gained greater insight into PMB
  - More time for task comparisons with SOW
  - Time phasing of tasks and schedule trace closely reviewed
  - Better understanding of performance measurement process
- Taxpayer Cost Avoidance ~ \$75K-\$100K
- Reduced disruption at contractor facility
- Both government and contractor pleased with results

